

CHAPTER: IX FINANCIAL ELIGIBILITY	SECTION: 4 INCOME - POTENTIAL	COMAR: 07.03.03.04
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POTENTIAL INCOME

- A. Potential income is income, that may be available to the assistance unit if actions necessary to receive the potential income are taken
- B. There must be reasonable expectation that the applicant or customer would be eligible for the potential income
- C. Explore potential income at application, interim change, or recertification, and inform the applicant or customer of their obligation to:
 1. File for the potential income
 2. Provide the local department with written proof of filing
 3. Report receipt of the potential income with 10 days of receipt, or
 4. Provide proof of denial of the potential income
- D. If the applicant or customer fails to take the requested actions in regard to potential income, deny the application or terminate the active case
- E. Examples of potential income are:
 1. Local, state, or federal benefits, such as
 - Social security Retirement, Survivors', Disability Insurance (RSDI)
 - Supplemental Security Insurance (SSI)
 - Retirement benefits from prior employers
 - Veteran benefits
 - Unemployment insurance
 - Worker's Compensation, or
 2. Private benefits, such as
 - Sick payments from an employer
 - Hospital insurance payments

- Annuity payments

NOTE: Most benefit income is counted as unearned income. However, in cases where the benefit income is from **an employer and taxes are deducted count the benefit income as earned income** and give the allowable deductions.

EXAMPLES:

- Example 1. Ms. Reeves just began receiving assistance for herself and son because of her illness. It has now been determined that her illness is permanent, preventing her from returning to work. Ms. Reeves must be referred to Social Security Administration to apply for a potential income in disability benefits.
- Example 2. Ms. Gavin is applying for assistance for herself and daughter because of illness and termination of the sick benefits she was receiving from her employer for the past 2 months. On the advice of her doctor, she can return to work in a month. In this situation, even though Ms. Gavin has a disability, she would not have a potential income for disability payments from Social Security and should not be referred there.
- Example 3. Ms. Kodak has supported herself and son for many years as a home based day care provider. Her landlord has advised her that he has sold the property and she must move. Ms. Kodak was unable to relocate her business to her new address. She is applying for TCA. Because Ms. Kodak was self-employed and never paid into the system, she does not have potential income in unemployment insurance.

NOTE: Most benefit income is counted as unearned income. However, in cases where the income is from an employer and taxes are deducted from the income amount, count the benefit income as earned income and give the allowable deductions.

ADDITIONAL INFORMATION

- Application - Application Process
- Financial Eligibility – Earned Income
- Financial Eligibility – Unearned Income